

STATE OF SOUTH CAROLINA

Application of
 Absolute Home Phones, Inc.
 For a Certificate of Public
 Convenience and Necessity to
 Provide Interexchange and
 Local Exchange
 Telecommunications Services and
 for local service offerings to be regulated
 in accordance with procedures authorized
 for NewSouth Communications in Order
 No. 98-165 in docket No. 97-467-C; and
 For interexchange service offerings to be
 regulated in accordance with procedures
 established for alternative regulation in
 Order Nos. 95-1734 and 96-55 in
 Docket No. 95-661-C.

BEFORE
 PUBLIC SERVICE COMMISSION
 OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2010 - 178 - C

(Please type or print)

Submitted by: Claudia McDowell

SC Bar Number: _____

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition
 expeditiously

☐ Request for item to be placed on Commission's Agenda

☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input checked="" type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input checked="" type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Other:	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order		
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		

224633

jm

 RECEIVED
 PUBLIC SERVICE COMMISSION
 OF SOUTH CAROLINA

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June 29, 2010

RECEIVED

VIA OVERNIGHT DELIVERY

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
SC Public Service Commission
101 Executive Center Dr., Ste. 100
Columbia, SC 29210
(803) 896-5100

Re: Absolute Home Phones, Inc.
Docket No. 2010-178-C

Dear Mr. Terreni:

Enclosed please find for filing an original and twenty-five (25) copies of the company's pre-filed testimony. The company does not intend to engage in telemarketing in the State of South Carolina.

I have enclosed an extra copy of this letter to be date-stamped and returned to me in the self-addressed, postage prepaid envelope I have provided.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me. Thank you.

Respectfully submitted,



Claudia McDowell
Legal Assistant to Lance J.M. Steinhart
Attorney for Absolute Home Phones, Inc.

Enclosure
Chris Peltier (w/enc)
Shealy Boland Reibold – ORS via e-mail: sreibol@regstaff.sc.gov
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BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2010-178-C - ORDER NO. 2010-410

In the Matter of

The Application of
Absolute Home Phones, Inc.

for a Certificate of Public
Convenience and Necessity to
Provide Local Exchange and
Interexchange Telecommunications
Services with the State
of South Carolina

**DIRECT TESTIMONY
OF CHRIS PELTIER**

I. Introduction

1. **Q. Please state your name and business address.**

A. My name is Chris Peltier. My business address is 3562 S.W. 24th Avenue Road,
Ocala, Florida 34471.

2. **Q. By whom are you employed and in what capacity?**

A. I am the President of Absolute Home Phones, Inc. ("Absolute Home Phones").

3. **Q. Please give a brief description of your background and experience in business
and telecommunications.**

A. See Exhibit D to our application.

COPY

Posted: _____
Dept: _____
Date: _____
Time: _____

1 4. **Q. What is the purpose of your testimony?**

2 A. The purpose of my testimony is to describe the nature of Absolute Home Phones's
3 proposed service offering within the State of South Carolina, and to demonstrate its
4 financial, managerial, and technical ability to provide the telecommunications
5 services for which authority is sought herein.

6 5. **Q. Do you wish to incorporate by reference any documents into your testimony?**

7 A. Yes. I wish to incorporate by reference the underlying Application filed in this
8 proceeding and its associated attachments.

9 **II. The Business of Absolute Home Phones**

10 6. **Q. Has Absolute Home Phones registered to do business in South Carolina?**

11 A. Yes. Absolute Home Phones is a Florida Corporation that has received authorization
12 to transact business within the State of South Carolina. A copy of Absolute Home
13 Phones's Articles of Incorporation is attached to the Application as Exhibit A and a
14 copy of the document of authorization from the State of South Carolina is attached
15 to that Application as Exhibit B.

1 **7. Q. Please describe the services Absolute Home Phones intends to provide within**
2 **the State of South Carolina.**

3
4 Absolute Home Phones may offer a full array of services to both business and residential
5 customers, including the following:

6
7 Interexchange (switched and dedicated services):

- 8 A. 1+ and 101XXXX outbound dialing;
- 9 B. 800/888 toll-free inbound dialing;
- 10 C. Calling cards; and
- 11 D. Data Services.

12
13 Local Exchange:

- 14 A. Local Exchange Services for business and residence customers that will enable
- 15 customers to originate and terminate local calls in the local calling area served by
- 16 other LECs, including local dial tone and custom calling features.
- 17 B. Switched local exchange services, including basic service, trunks, carrier access, and
- 18 any other switched local services that currently exist or will exist in the future.
- 19 C. Non-switched local services (e.g., private line) that currently exist or will exist in the
- 20 future.
- 21 D. Centrex and/or Centrex-like services that currently exist or will exist in the future.
- 22 E. Digital subscriber line, ISDN, and other high capacity services.

23
24 Absolute Home Phones will initially resell local and long distance services, and provide
25 local service through the use of unbundled network elements utilizing the facilities of
26 the existing LECs or underlying carriers that presently serve South Carolina.

27
28 APPLICANT seeks authority to resell and provide through its own facilities local
29 exchange services throughout the State primarily in the areas served by AT&T.

30 Applicant's local calling areas initially will coincide with the incumbent local exchange
31 carrier's local calling areas. Applicant has no plans to install facilities in the State of
32 South Carolina. If APPLICANT installs facilities in South Carolina, it will probably

1 provide voice and high speed data services through a combination of the latest technology
2 switching and transport media. The switching system will consist of a central processing
3 and control complex capable of interconnection as a peer to the incumbent as well as
4 competitive local exchange companies. The hub portion of the switch will interconnect
5 with the public switched network on Signaling System 7 ("SS7") or Feature Group D
6 ("FGD") facilities. The system's remote module capability will allow properties to be
7 served in a manner that provides the exchange of appropriate signaling, control and
8 calling/caller information to the network in accordance with network standards and
9 specifications. Additionally, these services will be delivered over a combination of
10 delivery mechanisms through incumbent local carriers' unbundled loop network, both
11 copper and fiber and transport networks, as well as via APPLICANT constructed
12 facilities. Its services will be available on a full-time basis, twenty-four hours a day, seven
13 days a week, to customers within the geographic boundaries of the State of South Carolina.
14 Customers will be billed by APPLICANT. Applicant is committed to providing access to
15 a local operator, directory assistance, 911 services, and dual relay services. Applicant is
16 also willing to accept its obligations to collect 911 and dual relay service surcharges from
17 its local exchange customers, and to remit those funds to the appropriate authorities.

1 8. **Q. What carrier will Absolute Home Phones utilize as its underlying carrier for**
2 **services in South Carolina?**

3 A. For interexchange service, Absolute Home Phones intends to utilize AT&T, and
4 other equivalent providers as its underlying interexchange carriers. Absolute
5 Home Phones intends to offer service offer local service using facilities of the
6 incumbent local exchange telephone companies ("LECs") certificated to provide
7 local exchange service in the State of South Carolina. The company intends to
8 initially negotiate with BellSouth.

9 9. **Q. Does Absolute Home Phones have authorization to provide intrastate**
10 **telecommunications services in any other state?**

11 A. Yes. Absolute Home Phones is currently authorized to provide local exchange
12 local exchange services in Florida, Kentucky and North Carolina. Applicant is in
13 the process of applying for authorization to provide competitive local exchange
14 and interexchange services in Alabama, Georgia, Louisiana, Mississippi and
15 Tennessee. Applicant has not been denied authority for any of the services for
16 which it seeks authority in this Application.

17 10. **Q. Has Absolute Home Phones ever had an application for a certificate of public**
18 **convenience and necessity denied?**

19 A. No.

20 11. **Q. Does Absolute Home Phones intend to file a tariff with the Commission?**

21 A. Yes. Absolute Home Phones filed an interexchange tariff as Exhibit F and a local
22 price list as Exhibit E to its Application in this proceeding that it will modify as
23 necessary in order to meet the Commission's requirements. We believe Absolute
24 Home Phones's Tariff and price list will comport with all Orders, Rules, and
25 Regulations of the Commission.

1 **12. Q. Will Absolute Home Phones comply with the Commission's orders regarding**
2 **the provision of interexchange and local services?**

3 A. Yes. Absolute Home Phones will at all times provide and market services in
4 accordance with current Commission policies. In particular, Absolute Home Phones
5 is familiar with Commission Order No. 93-462 regarding resale of intraLATA
6 telecommunications services and will attempt to comply with the terms of that order
7 in every respect possible. In addition, Absolute Home Phones at all times will
8 provide interstate services in compliance with all FCC rules and regulations.
9 Absolute Home Phones will at all times provide and market services in accordance
10 with current Commission policies and will attempt to comply with the terms of that
11 order in every respect possible.

1 13. **Q. Has Absolute Home Phones provided any intrastate telecommunications**
2 **services within the State of South Carolina?**

3 A. No it has not.

4 14. **Q. What rates will Absolute Home Phones charge upon receipt of certification?**

5 A. Absolute Home Phones will charge the tariffed rates approved by the Commission.

6 15. **Q. How will Absolute Home Phones market services in South Carolina?**

7 A. Absolute Home Phones intends to market its services via direct sales by Absolute
8 Home Phones's employees.

9 III. Managerial, Technical and Financial Qualifications

10 16. **Q. Does Absolute Home Phones have sufficient managerial, technical, and**
11 **financial resources and ability to provide the telecommunications services**
12 **proposed in its Application?**

13 A. Yes. Absolute Home Phones has sufficient technical, financial, and managerial
14 resources and ability to provide the telecommunications services for which authority
15 is sought herein. Absolute Home Phones's personnel represent a broad spectrum of
16 business and technical disciplines, possessing many years of individual and
17 aggregate telecommunications experience.

18 The qualifications and experience of Absolute Home Phones's key management
19 team are discussed on Exhibit D which is attached to our Application in support of
20 Applicant's managerial and technical ability to provide the services for which
21 authority is sought herein.

1 17. **Q. How does Absolute Home Phones handle customer service requests?**

2 A. Absolute Home Phones's customer service representatives are available to assist its
3 customers and will promptly respond to all customer inquiries. Customers may
4 call (800) 263-3764 or a local number. The applicable toll free or local numbers
5 will be printed on customers' monthly billing statements. Alternately, customers
6 wishing to communicate with a Absolute Home Phones customer service
7 representative in writing may send written correspondence to Absolute Home
8 Phones at:

9
10 Absolute Home Phones, Inc.
11 ATTN: Customer Service
12 3562 S.W. 24th Avenue Road
13 Ocala, Florida 34471

14 Absolute Home Phones's customer service representatives are prepared to respond
15 to a broad range of service matters, including inquiries regarding: (1) the types of
16 services offered by Absolute Home Phones and the rates associated with such
17 services; (2) monthly billing statements; (3) problems or concerns pertaining to a
18 customer's current service; and (4) general service matters.

19 .
20 18. **Q. Please describe the financial condition of Absolute Home Phones.**

21 A. In support of Absolute Home Phones's financial ability to provide the services
22 sought herein, copies of Absolute Home Phones' Balance Sheet and Profit and Loss
23 Statement as of March 30, 2010, were submitted as Exhibit C to its Application.

1 IV. Public Interest

2
3 19. Q. **How will residents of South Carolina benefit from Absolute Home Phones's**
4 **services and presence in South Carolina?**

5 The Commission's grant of this certificate is in the public interest because
6 consumers of telecommunications services within Absolute Home Phones's service
7 territory will receive increased choice, improved quality of service, and heightened
8 opportunities to obtain improved technology in the homes and businesses. Market
9 incentives for new and old telecommunications providers in South Carolina will be
10 improved greatly through an increase in the diversity of suppliers and competition
11 within the local exchange telecommunications market. Consistent with the
12 Commission's intent to aid in the development of a competitive telecommunications
13 environment in South Carolina, the granting of a certificate of authority to provide
14 local exchange service will offer increased efficiency to the State's
15 telecommunications infrastructure through greater reliability of services and an
16 increase in competitive choices.

17 20. Q. **Has the Company ever been the subject of an investigation by any state**
18 **Regulatory body or by the FCC?**

19 A. No.

20 21. Q. **Will the Company agree to abide by and comply with the Commissions**
21 **Rules and Regulations and Commission Orders in its operations in South**
22 **Carolina?**

23 A. Yes.

24 20. Q. **Does this conclude your testimony?**

25 A. Yes. I would like to thank the Commission for this opportunity to provide
26 information relevant to Absolute Home Phones's Application and am ready to

1 provide any additional information that the Commission may need in making its
2 decision.
3